



United States  
Department of  
Agriculture

**Rural  
Development**

Rural Business & Cooperative Services  
Rural Housing Service  
Rural Utilities Service

Washington AN 922 (HB-1-3550)

Single Family Housing Program Division  
1835 Black Lake Blvd. SW, Suite C  
Olympia, WA 98512-5716  
TTY 360-704-7760  
(Fax) 360-704-7775  
(Tel) 360-704-7760

October 1, 2003

**SUBJECT:** Section 502 Direct Rural Housing Loan Program  
Area Loan Limits

**TO:** All Single Family Housing Staff  
USDA, Rural Development, Washington

**PURPOSE/INTENDED OUTCOME:**

This Administrative Notice provides updated area loan limits (using Option 1 – Residential Cost Data plus typical market value for an Improved Site) for the Rural Housing Service (RHS) Section 502 Direct Single Family Housing (SFH) loan program.

**COMPARISON WITH PREVIOUS AN:**

This AN replaces Washington AN 902 (3550) which expires on September 30, 2003.

**IMPLEMENTATION RESPONSIBILITIES:**

The attached Appendix 10 to the Handbook (HB) -1-3550, sets forth the area loan limits for the Rural Housing Service (RHS) Section 502 Direct Rural Housing loan program for each county in Washington.

You are reminded that the cost of the property, including the combined costs paid for by the Agency loan, loans from other sources, or the applicant's own funds, and the value of a site already owned by the applicant cannot exceed the area loan limit as set forth in the attachment to this AN. The loan an applicant receives must not exceed the area loan limit, unless the applicant chooses to finance the appraisal fee, tax monitoring fee, or the initial contribution to fund the escrow account, in which case the loan can exceed the maximum mortgage limit by the cost of these items and with approval by the State Director.

**EXPIRATION DATE**  
September 30, 2004

**FILING INSTRUCTIONS**  
Appendix 10, HB-1-3550

A State Director exception request may be approved up to \$3,600, in the event that the area loan limit does not accommodate the specific needs of an applicant per HB-1-3550, 5.6 C.

If you have any questions regarding this AN, please contact the Single Family Housing Program Division.

/s/

JACKIE J. GLEASON  
State Director

Attachment: Appendix 10